

The PRESIDING OFFICER. The Senator has 10 minutes remaining.

Mr. SCHUMER. I thank the Chair.

I am sure he is eager to have that debate. When you ask people in polling, should we drill, they say sure. Then when you ask, can we drill our way of the problem, they know we can't. We are going to continue to push. I hope and pray we don't have to wait for the next President to do this. I would like to see it done now, because we have waited 7 years. We have had bills on the floor in the past: bills to raise mileage standards of cars, stopped by the auto companies; bills for alternative fuels, stopped by the oil companies; bills to make sure utilities are more efficient, stopped by the utilities. When the price was low, no one paid much attention. But now we are all paying the awful price. Let us change once and for all. There are short-term solutions, whether with the SPR or tamping down speculation. But the only long-term, real answer is to reduce our dependence on oil, move to alternatives and conserve more, consume more efficiently. I hope my colleagues will do that. I hope we will look forward to the future and not delay the future any longer and not look back at the past.

HOUSING

The other bill that is before us now and upon which we will vote shortly is the housing bill. I urge my colleagues to support it. Unlike the energy issue, I think we do have broad bipartisan support. I was delighted to hear yesterday that the President changed his view and will now support the bill Chairman DODD and Congressman FRANK have put together. I am very glad of that. It is a good bill. I have had some significant input into it, for which I thank both of them.

Housing is at the nub of the recession. Housing prices go down and people don't have the money to do other things. That hurts. Homes are foreclosed upon and neighborhoods suffer. Even if you keep your home and even if your housing price is flat, mortgage rates go up. Since so many people have adjustable rate mortgages, that hurts us as well. But housing has been the bull's-eye of the economic crisis. For too long, Washington has twiddled its thumbs, despite the efforts of those on our side who want to do something and who have smart, rational, and targeted plans. But now finally, because the crisis is screaming at us, the President has agreed to support our legislation, and many on the other side, hopefully, will vote for it, as they did last week.

The housing bill has many important components. It has a plan that will set a floor for some home prices. It is not a panacea, but it will help reduce the decline in home prices in many places, which is desperately needed, and reduce the rate of foreclosure for several hundred thousand homes, which is also desperately needed. I would have liked to have seen that part of the bill be stronger. I would have liked to have seen the bankruptcy provisions put in

there which would have been a club and made them work a little better. They are not there, but this is still good.

We also have in the proposal CDBG money. We held a hearing of the Joint Economic Committee where, from the community in Slavik Village, people testified how empty and vacant homes were killing their neighborhood. I don't know what entity Slavik Village is in, what town, whether it is Cleveland or somewhere else, but no local community has the ability to deal with all these foreclosed homes. The only entity that can is the Federal Government.

The CDBG money, which, thank God, now the President has dropped his opposition to, will buy up those homes and prevent the market from getting worse and communities from deteriorating. Because when you have an abandoned house and some vandals come in and pull out the plumbing and electricity, and then it becomes a haven for drug dealers and criminals, it ruins the whole neighborhood. The person living down the street, who has paid his or her mortgage and does not even have a mortgage anymore, suffers as well.

So this CDBG money, as well as the whole program we are putting together, is not simply aimed at those who cannot pay their mortgages. It is actually aimed at the millions of homeowners who are hurt because even though they pay their mortgages, and even though they may have finished paying their entire mortgage, their home prices decline because there are foreclosures in the community.

Then there is the part about Fannie Mae and Freddie Mac. I think this is necessary. It is unfortunate we are at this stage but necessary. Fannie and Freddie are at the center of our housing market, and the housing market is at the center of our declining economy. If you are simply going to say: Well, let Fannie and Freddie fail, let's learn the moral hazard, you are hurting tens of millions of innocent people along the way as you teach that lesson. That is why I do not think we should do it.

Do we need tougher regulation for Fannie and Freddie? Yes. And in the bill is a much strengthened regulator. I supported that from the get-go. But to allow Fannie and Freddie to deteriorate, and deteriorate as dramatically as they might have without a possible Government backstop, would do far more damage than the Government backstop itself. The odds are, we will never have to use it. And when you add to that the odds that we will use it but it will not cost all that much, they are overwhelming. But the alternative, the risk of looking into the abyss and letting the economy roll down—because if Fannie and Freddie were to go under, Lord knows what would happen in this economy—is not worth it.

I have spoken at length to Secretary Paulson and Chairman Bernanke, both appointees of the President, and they believe this is desperately needed. I was surprised so few of our House col-

leagues voted for this proposal. Ideologues do not usually solve problems. They have a narrow way of looking at things. So if you say Government is always the answer, you are going to mess things up. But just as equally, if you say Government is never the answer, you will mess things up as badly. We have a whole lot of people, at least in the House, who said: Don't get the Government involved at all. Let people suffer. That is for their overall good.

It reminds me of the old days when the Adam Smith theory said: Well, let anyone sell any medicine they want, and if it is a bad medicine, and you die from it, your family will learn from it and you won't buy it again. It is an awfully harsh view of the world, and not a view most Americans agree with.

In a somewhat less serious but serious note, this is the same thing with housing. If you let the housing market go in the tank, so much suffering will occur that the risk is not worth it. So this is a good package. Is it what we would have done? No. Is it what Mr. PAULSON would have done on his own? No. But it is a fair and workable compromise, and unlike the Energy bill, it is a place where we can all come together and do something for the good of the economy.

I also do want to mention there is more money for mortgage counselors. The Senator from Washington, you, I say to the Presiding Officer, the Senator from Pennsylvania, and I have been working hard to get more mortgage counselors in the bill, and there is \$180 million more for that, as well as \$10 billion in mortgage revenue bond authority, which will help States and localities to develop refinancing programs—very important in my State. It is something the Presiding Officer has supported, and I am glad it is in the bill.

In conclusion, Mr. President, on energy, let's look forward to the future. Let's hope some of our colleagues will join us and not cling to the answer: oil today, more oil tomorrow. We do not have it, given the increase in demand.

On housing, let us move this bill forward quickly. Both are vital to the future prosperity of our country, and both ought to become law without further delay.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico is recognized.

ENERGY

Mr. BINGAMAN. Mr. President, I believe I have 10 minutes reserved to speak in relation to energy legislation.

The first point I want to make is that the legislation the majority leader, Senator REID, brought to the Senate floor addresses one of the three aspects of the problem we face with high gas prices. I think all of us recognize there are three main factors that are resulting in high gas prices.

One is the problem with the functioning of our oil and gas markets, and specifically the problem of speculation and excessive investment in these commodities. That is something Senator